

David Mead - Testimony - HB 4572, SB 07, SJR C

From: "clerk" <clerk@brightontwp.com>
To: <dmead@house.mi.gov>
Date: 6/7/2011 10:36 AM
Subject: Testimony - HB 4572, SB 07, SJR C
CC: "Bill Rogers (District 66)" <Dist066@house.mi.gov>, <cindydenby@house.mi...

Mr. Mead,

Per my telephone inquiry on June 6, below please find our written testimony. We respectfully request that you submit this at the Oversight, Reform and Ethics Committee hearing scheduled for June 7 at Noon.

Brighton Township is a charter township located in eastern Livingston County. Our population is ~ 19,000 with close to 14,000 registered voters. Our Township has a history of being a good steward of the public's money. We have instituted best practices long before they were the politically correct norm in local government including reducing health care costs annually by 5-6% on average; requiring employees to participate in their retirement program (currently 5%); superfunding retirement programs to minimize long term liabilities (currently funded at or over 100 %); initiating changes to retirement programs to minimize any unfunded future liabilities; and not providing any form of retiree health care. These are a just a few examples related to the proposed legislation.

Brighton Township agrees that long term unfunded liabilities must be a priority but those of us that have greater than 100% funding in our retirement funds and have worked diligently to reduce our health care expenses annually should not be penalized for others' bad decisions.

These bills should not be moved forward in their current form. On behalf of Brighton Township and other fiscally responsible local governments; please consider

1. The proposed legislation and concepts are ill-conceived and will continue to serve as evidence that our state government wants to pick winners and losers. This initiative does not correct the wholesale problem of future unfunded liabilities; it does not include state or university employees; and preserves lifetime healthcare premium offsets for elected officials serving 6 or fewer years, etc.
2. Some public service personnel could be disproportionately punished.
3. The inequities that will result due to who the law applies to in the near-term
4. The fact that the proposed legislation does not address the real problem of unfunded long term liabilities.
5. The elected legislature should run state government. Elected Boards and Councils run local governments. The EFM legislation has put into place safeguards if the locals get out of control. What have you put into place when State Government overspends?
5. Further the fact that the legislation provides local units of government an option to not follow the 80/20 rule by casting a 2/3 vote should also be extended to the legislature - why doesn't the legislature apply this same transparency to its constituents? Why not require the legislature to vote by a 2/3 passage to maintain their current benefit levels?

Please lead by example and initiate an effort to -

- eliminate any health care for legislators serving less than 20 years including any that were previously "promised" these premium offsets - it has happened to the automotive industry, the education community and now its time for the legislature to take the leap. Please note that Brighton Township does not provide any health care benefit for retirees. This has been a long-standing policy not a reactionary policy directive as a result of increases.

- require the state to follow the same rules for transparency, opt-outs and fiscal responsibility.

- eliminate any legislation that imposes on local government operations including setting a maximum amount that the local unit can pay for health insurance benefits for its employees. You vote on the state contracts and leave the local contracts/agreements to the local units

Thanks for your service. We look forward to your response.

Brighton Township Board of Trustees

Ann M. Bollin, CMC
Clerk, Charter Township of Brighton
4363 Buno Road
Brighton, MI 48114
Ph: 810.229.0560
Direct Line: 810.494.0720
Fax: 810.229.1778